MR. P. N. KRISHNA PILLAI (*Secretary to Government*): So far as the Government are concerned, that enquiry is not necessary.

MR. S. SUBRAHMANYA KARAYALAR (*Pattanapuram* cum *Shencotta*): I think a house is highly necessary for a man to live in. (*Laughter.*)

MR. P. N. KRISHNA PILLAI (*Secretary to Government*): Certainly, there *are* a number of houses at Tamaracolam.

MR. S. SUBRAHMANYA KARAYALAR (*Pattanapuram* cum *Shencotta*): So far as I know, he has not even rented a house at Tamaracolam. Will the Government be pleased to enquire whether he is living permanently at Tamaracolam?

MR. P. N. KRISHNA PILLAI (*Secretary to Government*): That is in the answer.

MR. S. SUBRAHMANYA KARAYALAR (*Pattanapuram* cum *Shencotta*): I want to know whether he is *actually* living there.

MR. P. N. KRISHNA PILLAI (*Secretary to Government*): That exactly is what is stated in the answer.

Agreement with the Cape Comorin Company.

16. MR. S. SUBRAHMANYA KARAYALAR (*Pattanapuram* cum *Shencotta*):

(1) Will the Government be pleased to state whether under the conditions of their agreement with the Government, the licensees of the Cape Comorin Company Allom were originally required to deliver to the Government all the salt manufactured by them at 2 annas 9 pies per maund?

(2) Were not the Government making a profit of 7 annas 3 pies per maund as 'recoveries' by the sale of such salt?

(3) Under what circumstances were the licensees of the allom required to deliver only 70,000 maunds of salt to Government at 2 annas 9 pies per maund and permitted to sell the balance on payment of duty?

(4) Have the Government further reduced the quantity of salt to be delivered to the Government annually to 50,000 maunds, and under what circumstances was this reduction effected?

MR. P. N. KRISHNA PILLAI (*Secretary to Government*): (1) Yes.

(2) The rate of 7 annas 3 pies per maund referred to does not represent the profit derived by the Government by the sale of the salt. A reduction from this has to be made on account of establishment and contingent charges for the factory.

(3) The factory, situated as it is practically at the mouth of the Pazhayar river at the shore-end of the lake, is, as a consequence, placed at a greater disadvantage as regards brine supply when compared with the factories situated nearer the source of brine supply. The yield in the factory was therefore going down from year to year. The income the company obtained from the factory was too small to pay any dividend to the share-holders. The company was also unable to invest any amount to improve the factory and at the same time carry on manufacture. In view of the above facts, the company was allowed by the Government the same privilege of private sale as was enjoyed by the licensees of the neighbouring Excise factories. But it was asked to deliver 75,000 maunds annually and not 70,000 maunds.

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(4) The company had to deliver 75,000 maunds annually from 1100 onwards. But on account of the floods of 1098 and the inadequate supply of brine of sufficient density, the manufacture in the factory was found to be far below the 75,000 maunds stipulated for delivery. As, in the present condition of brine supply, no improvement in the yield could be expected, the company was *temporarily* permitted to deliver only 50,000 maunds.

Mr. T. V. Krishna Aiyar's Salt Factory.

17. **MR. S. SUBRAHMANYA KARAYALAR** (*Pattanapuram* cum *Shencotta*): (*a*) Is it not a fact that Government assigned only 38·75 acres of land to Mr. T. V. Krishna Aiyar for salt culture?

(*b*) Has the extent of his salt factory been increased by acquisition or purchase of more lands?

(*c*) Was not the quantity of 15,000 maunds of salt to be delivered to the Government every year fixed with reference to the 38·75 acres of land, and, if so, why have the Government not demanded an additional quantity of salt in respect of the extent of land acquired and purchased?

(*d*) Will the Government be pleased to state whether they have taken a supplementary agreement from Mr. Krishna Aiyar in respect of the additional area?

MR. P. N. KRISHNA PILLAI (*Secretary to Government*): (*a*) and (*b*) The answers are in the affirmative.

(*c*) Yes. The agreement executed by this licensee as also the other licensees of the Modified Excise Factories do not provide for increasing the quantity of salt to be delivered by them to the Government in consequence of the increase in the area assigned to them for salt manufacture. These licensees have had to invest large sums of money on their factories and it was not the intention of the Government to impose disabling conditions on them which were not absolutely needed to secure the object of the Government which is to have a sufficient stock for transport to Alleppey and Trivandrum for sale there. In the case of the Srimulagopalanathan Allom, to which also about 20 acres of land were subsequently added, no additional quantity was demanded.

(*d*) No such agreement is necessary since the lands were added to the factory under the conditions of the agreement already executed by the licensee.

MR. S. SUBRAHMANYA KARAYALAR (*Pattanapuram* cum *Shencotta*): It is stated in the answer.

.....In the case of the Srimulagopalanathan Allom, to which also about 20 acres of land were subsequently added, no additional quantity was demanded.

May I know under what circumstances, additional quantity was not demanded?

MR. P. N. KRISHNA PILLAI (*Secretary to Government*): There is no such condition in the agreement.

MR. S. SUBRAHMANYA KARAYALAR (*Pattanapuram* cum *Shencotta*): It is stated in the answer that 20 acres of land were subsequently added to the *allom* and that no additional quantity was demanded. I want to know the circumstances under which no additional quantity was demanded.

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